

CITY OF BOSTON IN CITY COUNCIL Offered by City Councilor Sam Yoon

RESOLUTION

To oppose a number of anti-consumer bills pending in the General Court and that the Council ask the Boston Delegation to oppose them as well

WHEREAS:

Massachusetts has previously responded to documentation of a number of serious consumer problems by enacting Massachusetts General Law Chapter 94, Section 184 <u>B</u>, <u>C</u>, <u>D</u> and <u>E</u> (known as the food store item pricing law) to require the accurate price marking of goods and to protect consumers from overcharging. This law has been in effect for over 20 years and has protected consumers from the worst effects of inadvertent and deliberate overcharging of products. Since the passage of this landmark legislation, trade and industry groups have been seeking ways to water it down, increase exemptions or gut its protections;

WHEREAS:

The Division of Standards of the Office of Consumer Affairs and Business Regulation conducts thousands of random inspections throughout the Commonwealth each year to ensure retailers honor marked or advertised prices. Each year, store scanners must meet the state accuracy standard of 98% based on a random sample of at least 50 items or more depending on the size of the store. During the 2007 holiday season, the Division of Standards scanned more than 4,500 items from nearly 100 retail chains, resulting in a total of \$3,500 in retailer fines;

WHEREAS:

We now have lobbyists and trade groups introducing at least 11 new bills at the State House to weaken one aspect or another of our consumer protection and item pricing laws. For example, some bills seek to exempt stores below a certain square footage from having to comply with the current item pricing law. The worst of this type - H. 289 seeks to exempt stores smaller than 50,000 square feet. H 200 seeks to exempt any store that pays a waiver fee to the state and installs self-service price scanners in some store aisles. These very machines have been shown repeatedly to fail to function properly. At least four different bills seek some form of exemptions for warehouse clubs. Four bills seek to exempt sale items from the item pricing law. Amazingly, H 202 and S 123 seek to limit inspections to only once a year and reduce fines by 90%. And finally, H 198 seeks to repeal the item pricing law entirely;

WHEREAS:

Lobbyists and trade groups would like to repeal the item pricing law entirely. If they can not muster support for that, they have devised a multitude of bills to weaken the law in nearly 30 different ways. If they can't kill it out right they will do so by a thousand cuts as they have done over the past two decades;

- WHEREAS: Consumers have repeatedly expressed a preference for maintaining prices on goods, use item pricing to compare prices in the store, use the price on the product to catch overcharges at the register or when checking their receipts at home, and have rejected the use of self-service scanners in store aisle by a two to one margin;
- WHEREAS: Newly-appointed Undersecretary of Consumer Affairs Barbara Anthony when interviewed by the Boston Globe on May 31st has said that "item pricing is tremendously important... especially in this economic climate, consumers have a right to know the right price of an item. And there can't be a discrepancy between what it says on the shelf and what you're charged at the cash register. And frankly, if we are seeing repeat offenders, we may need tougher legislation, we may need to increase fines." Therefore, be it
- RESOLVED: That the Boston City Council go on record in opposition to the various anti-consumer bills pending in the General Court including but not limited to: H198, H200 H202/S123 H212/S98,H 3544, H3545, H 3649, S189, H 208 and furthermore that the City Council ask the Boston Delegation to oppose such measures.